

Industry Circular



Internal Revenue Service
Alcohol, Tobacco and Firearms Division
Washington, D.C. 20224

Industry Circular No. 72-12

April 28, 1972

RECTIFIED PRODUCTS CONTAINING WINE

Proprietors of Distilled Spirits Plants,
and others concerned:

This industry circular is issued to remind you that, effective July 1, 1972, rectified products of 48° proof or less, which contain a preponderance of wine may no longer be bottled, labeled or strip-stamped as distilled spirits products.

Industry Circular No. 68-27, dated September 30, 1968, included a reprint of Treasury Decision 6973, which amended 27 CFR Part 5 to provide, in part, that effective July 1, 1972, the term "distilled spirits," shall not include mixtures containing more than 50 percent wine (on a proof gallon basis) if bottled at 48° proof or less. The definition of "spirits" or "distilled spirits" in 26 CFR 201.11 was similarly amended by Treasury Decision 7060.

In order to afford the industry ample time to deplete its then existing inventories, obtain new labels, and phase out its use of indicia bottles, strip stamps, and distilled spirits labels for the aforementioned products, the amendment of the regulations was made effective July 1, 1972.

Therefore, proprietors of distilled spirits plants are reminded that such products of 48° proof or less, referred to above, are not "distilled spirits" as defined in the above identified Treasury Decision, and may not be produced, bottled or rebottled as distilled spirits on or after July 1, 1972. All formulas on Forms 27-B Supplemental previously approved for such products should be surrendered to the National Office for cancellation, since they will not be valid after June 30, 1972. If similar products are to be produced as wine specialties or as distilled spirits products produced at higher proof on or after July 1, 1972, new formulas and applications for label approval must be submitted.

Inquiries concerning this circular should refer to its number and be addressed to the Director, Alcohol, Tobacco and Firearms Division, (Attention: CP:AT:RI), Washington, D. C. 20224.

Rex D. Davis

Rex D. Davis, Director
Alcohol, Tobacco and Firearms Division